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U.S.-Backed Rebels Can't Defeat Nicaraguan Regime.

By Patrick E. Tyler Washington Post Staff Writer

The CIA has concluded that there are no circumstances under which a force of U.S.backed rebels can achieve a military or political victory over the leftist Sandinista government of Nicaragua, according to congressional sources.

In addition, there are indications that the administration, despite its tough public posture, is beginning to give some thought to how the war could be wound down and how an amnesty for the American-supported forces could be arranged.

In a National Intelligence Estimate provided

to the congressional oversight committees this fall coinciding with crucial votes to continue funding to the rebel forces, the CIA said the U.S.-backed "contra" forces made up of 10,000 to 12,000 guerrillas lack the military capability, financing, training and political support to overthrow the powerful and well-entrenched Sandinista government with its relatively large and well-equipped standing army of 25,000 soldiers and even larger militia forces.

The CIA analysis, according to these sources, concludes that the Sandinista leadership is controlled by hard-line Marxists who will not give up in any kind of military confrontation with the contras. In addition, the CIA has concluded that the U.S.-backed counterrevolutionary forces have not been able to win enough support in the Nicaraguan population to overthrow the Sandinistas, who seized power four years ago after ousting Gen. Anastasio Somoza.

Administration officials said on previous occasions that they did not think the U.S.backed force was strong enough to overthrow the Nicaraguan government, but the rapid growth of the rebel army from its original 500-man level authorized by Congress and the loosely defined administration goals left many members of Congress uncertain as to President Reagan's true intentions in Nicaragua.

With the new CIA analysis, Reagan has also stated for the first time that he wants a general amnesty for U.S.-backed rebels who have been fighting the Sandinista government as part of the CIA-directed force. Reagan included the amnesty provision in a secret document justifying the covert action to

Congress. The amnesty provision would be a precondition to a cessation of hostilities, sources said.

The document, a presidential "finding" under the National Security Act, was presented to the congressional committees in September by Secretary of State George P. Shultz and CIA Director William J. Casey.

The amnesty provision is not spelled out in any detail in the finding, and a number of questions have been raised in the congressional committees as to how it would be applied and enforced. It is not clear whether exiles who are fighting the Sandinistas would be allowed to return to their homes in Nicaragua or win back property seized by the government.

But the most recent discussions between the administration and Congress have created the impression that the administration is giving careful thought to how to end the 2-year-old secret war against Nicaragua. The amnesty provision addresses an issue that has been unresolved in two years of private consultations between the administration and congressmen fearful that Reagan and the CIA were slowly committing the United States to thousands of Nicaraguan exiles whose fate would be uncertain if a negotiated settlement of regional tensions were reached in Central America.

Last spring, Casey warned in private of a potential "bloodbath" if Congress withdrew support from the U.S.-backed rebel forces.

The House cut off funding for the covert operation twice this year, but in a compro-June under a mandate to keep military pres-

sure on the Sandinistas until they stop supporting leftist guerrillas fighting the government of neighboring El Salvador.

The CIA has concluded that paramilitary harassment from the U.S.-backed contras, who have been operating from bases in Honduras since early 1982, has caused the Sandinista government to reconsider its support for the Salvadoran guerrillas and may eventually persuade the Sandinistas to abandon

the Salvadoran leftists altogether. According to one congressional source, who spoke on the condition he not be identified, there is a bipartisan consensus, especially in the Senate, that the covert policy of the Reagan administration for the first time is consistent with publicly stated policy goals of the U.S. government and the governments of the Central American region.

Under this view, many members of the congressional oversight committees reportedly have become convinced that the administration is willing to end its secret war against Nicaragua as soon as the Sandinistas give concrete and verifiable assurances that they will no longer give aid, command and control and logistical support to the Salvadoran guerrilla movement.

Doubt remains, however, among members who were surprised by an administration effort during the summer to redraft a presidential justification for the covert operation in terms that some members believed would have committed the U.S.-backed forces to an all-out victory over the Sandinista govern-

ment if it was not willing to make substantial political and diplomatic concessions.

In this draft presidential "finding," the administration said the secret war was necessary to stop the spread of revolution from Nicaragua to other countries. It also stated a necessity to keep up covert paramilitary operations until Nicaragua returned to a demmise with the Senate, legislators ended the ocratic form of government, reduced its level session by approving \$24 million to fund the of armament and guaranteed press and recovert paramilitary operations at least until ligious freedoms. Many members considered the latter demands as diplomatic goals, not suitable for inclusion in the secret justification as preconditions to cease hostilities.